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Cassis Bills Clear Committee *Senator's Principal Residence Package Heads to the Senate Floor*

LANSING— A package of bills sponsored by State Sen. Nancy Cassis, R-Novi, is on its way to the Senate Floor after the Senate Finance Committee unanimously approved the first bills in Cassis' tax simplification initiative.

"I am excited to see action on these bills," said Cassis. "I started a tax simplification mission two years ago as a State Representative to make the tax code clearer, fairer, and easier to understand for Michigan taxpayers. Amending state law to replace 'homestead exemption' with 'principal residence exemption' is a small but important change to serve the taxpayers of Michigan, and one of the best parts of these bills is that they do not have a price tag attached to them."

The eight-bill package was introduced to address confusion in property tax filing. Milford Township Treasurer Cynthia Dagenhardt was experiencing recurring errors from residents filing their taxes incorrectly. She contacted Sen. Cassis for assistance, and the SB 129-136 package was born.

"People were confusing the homestead exemption, which every homeowner is eligible for, with the homestead credit, which only certain taxpayers qualify for," said Dagenhardt. "Our hope is that this will make things clearer for homeowners to understand, and in turn, head off more problems before they start."

Cassis took immediate action on this widespread misunderstanding because she found the confusion has been at a cost to taxpayers. Gary Schreiber, Finance Director for Grand Haven

Township, wrote in a letter to Sen. Cassis of a resident who got the homestead exemption and the homestead credit confused. The resident, had he not visited Schreiber, would have paid twice the property taxes required, and instead he will experience a 45 percent savings on his 2003 property taxes.

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In Wed. afternoon's committee hearing, several organizations expressed support of the measure, including the Michigan Townships Association, Michigan Association of Counties, Michigan Municipal League, Michigan Association of County Treasurers, AARP, Michigan Association of Realtors, and the Michigan Credit Union League.

"The overwhelming support we received on this package is very encouraging," Cassis said. "We had several individuals testify today, and I received letters supporting the measure from Township Treasurers in my district including Patricia Carcone, Dorothy Zarzecki, Judy Kiley, and Cindy Dagenhardt. Letters just like theirs were sent to me from treasurers all over Michigan. It really shows that tax simplification is long overdue."

Cassis expects the Senate to take up the package before the legislature recesses in April.

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